



Healthcare Business Insights™

# 2022 Fall member retreat

## **Innovation lab:**

Taking a holistic approach toward  
denial mitigation

**Katie O'Connell**

Vice President, Revenue Cycle  
Kaleida Health

**Linda Franklin**

System Denials Leader  
Baptist Health (Arkansas)





< San Diego



Visual settings



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🌐 When poll is active, respond at **PollEv.com/jericahopkins145**

Text **JERICA HOPKINS145** to **22333** once to join

**Which of the following has been the most prominent payer behavior noticed by your organization within the past 12 months?**

- More pre-payment reviews
- More frequent requirement or policy changes
- More requests for information/documentation
- Longer claim processing times in general
- Inappropriate denials
- Other
- Unsure

# Learning objectives

Taking a holistic approach toward denial mitigation

1. Listen to peers across revenue cycle departments explain how they have increased transparency into denial performance, educated staff, promoted accountability among contributors, and more
2. Learn from organizations that have been able to improve denial-related workflows and noticeably reduce recurrences
3. Compare strategies, engage in discussion, and ask questions to derive new solutions and strategies surrounding your most pressing denial challenges



# Introducing your first panelist:



# About the panelist



**Katie O'Connell**

Vice President, Revenue Cycle

Kaleida Health

- In her role as Vice President of Revenue Cycle, O'Connell has responsibility for the performance and strategic advancement of Kaleida's hospital and physician revenue cycle.
- Under her leadership, O'Connell has built a Revenue Cycle team that is producing meaningful performance improvement.
- She is passionate about partnering with operational leadership on continuous improvement and addressing the process issues that lead to best practice revenue realization rates.
- Prior to joining Kaleida Health in 2017, O'Connell served as a Senior Director within Huron Consulting Group's revenue cycle practice.



# We are Kaleida Health.

For more than 165 years, the hospitals and health care facilities of Kaleida Health have been providing quality care to the communities comprising the eight counties of Western New York. We are the largest healthcare provider and the largest private employer in the area, and a major teaching affiliate of the University at Buffalo. We are affiliated with Great Lakes Health System of WNY, the entity integrating Kaleida Health, ECMC and the University at Buffalo.

## Hospitals

- ▲ Bradford Regional Medical Center: 107 beds
- ▲ Buffalo General Medical Center and Gates Vascular Institute: 484 beds
- ▲ John R. Oishei Children's Hospital: 185 beds
- ▲ Millard Fillmore Suburban Hospital: 265 beds
- ▲ Olean General Hospital: 186 beds

## Off-Campus Emergency Department

- ▲ DeGraff Medical Park: offering emergency department and outpatient services

## Subacute/Long-Term Care Facilities

- ▲ DeGraff Rehabilitation and Skilled Nursing Facility: 80 beds
- ▲ HighPointe on Michigan: 300 beds
- ▲ The Pavilion at Bradford Regional Medical Center: 95 beds

## Home Care Agencies

- ▲ Visiting Nursing Association of Western New York, Inc.
- ▲ VNA Home Care Services
- ▲ VNA Northwest PA

▲ Total number of employees (including Twin Tier): **10,037**

▲ Number of physicians (affiliated): **1,595**

▲ Number of volunteers: **616**

▲ Inpatient days: **296,039**

▲ Inpatient discharges: **53,006**

▲ Number of outpatient clinical locations/departments: **80**

▲ Emergency department visits: **107,466**

▲ Clinic and lab visits: **2,744,888**

▲ Ambulatory surgery cases: **29,555**

▲ Skilled nursing facility days: **105,963**

▲ Visiting Nursing Association (VNA) visits: **479,453**

▲ Total net patient revenue: **\$1.895 billion**



Kaleida Health

100 High Street ▲ 11 South ▲ Buffalo, NY 14203 ▲ [www.kaleidahealth.org](http://www.kaleidahealth.org)



Derek Gee / Buffalo News

# Taking a holistic approach toward denial mitigation

# A journey through clinical denials improvement

## Background

In **August 2019**, significant and aged outstanding receivable was associated with **UR denials**, with additional voluminous inflow each month as well, causing significant rework, delays in cash flow and risk of lost revenue.

Payers were, and continue to, **aggressively deny inpatient stays** and **propose payment at a lower level of care**. Regulatory requirements and contractual agreements for notification, clinical review, authorization and patient notification vary by payer.

The organization needed to **align resources** and develop a **coordinated workflow** within the site **UR departments, Health Information Management (HIM), and Patient Financial Services (PFS) Billing and Clinical Denials (CD)** teams in order to effectively process payer approval requirements, ensure a compliant billing process and manage denial activity.

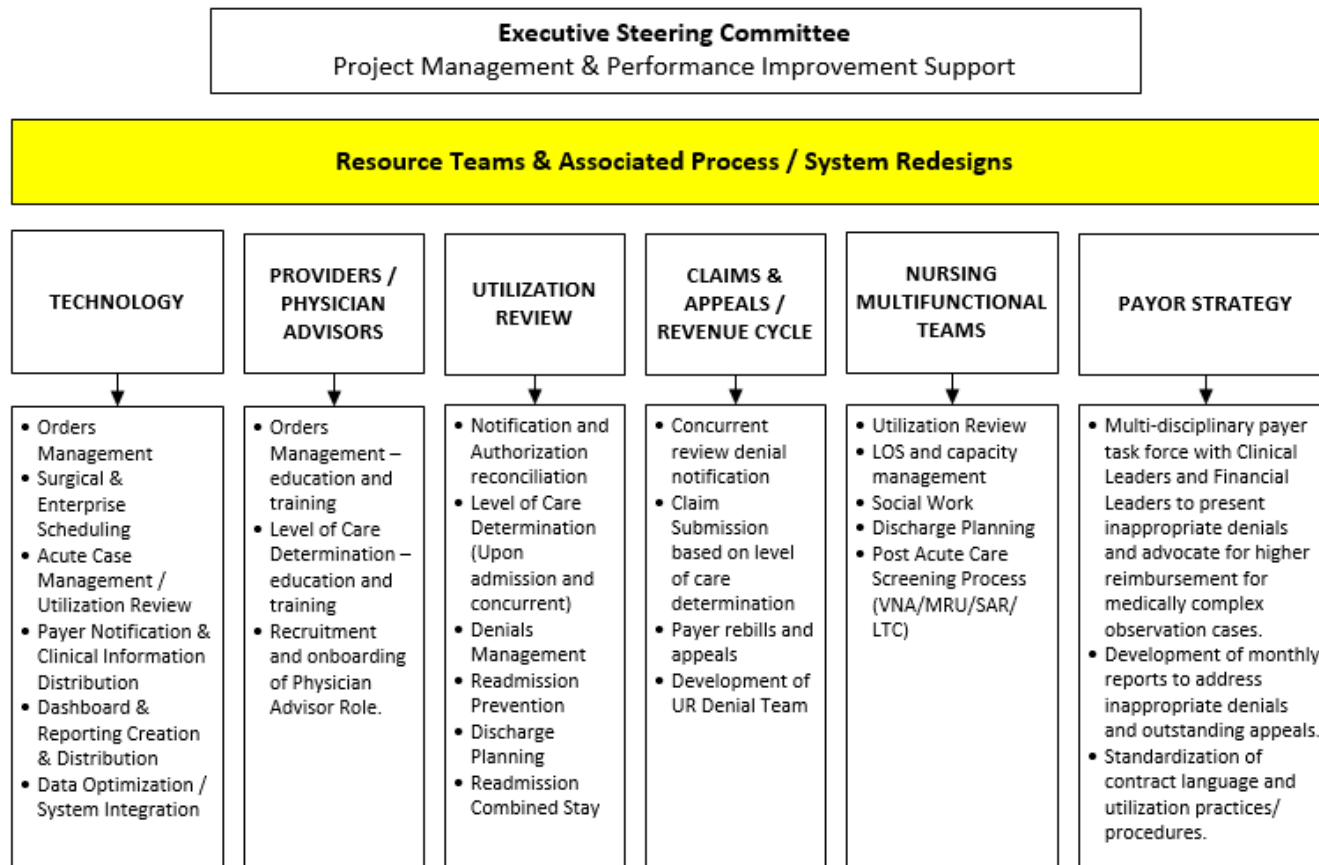
Additional **physician leadership** was required to provide **education and training** to providers and to support UR staff in addressing orders management, level of care determinations, and the denials and appeals process.

The current **systems** (Acute Case Management (ACM) (Cerner module)), Allscripts Eclipsys, EC2000 (Billing Scrubber) needed to be **enhanced and integrated** to support UR functions, the required exchange of data/information and the claims and appeals process.



# A journey through clinical denials improvement (cont'd)

## Approach:



## Financial results:

- **61%** / **\$7M** reduction in open A/R associated with UR denials, and a **68%** reduction in number of open balances
- **56%** reduction in denials received each month, leading to approximately **2 FTE** cost savings / redeployment
- **17.3%** reduction in level of care write-offs
- **61%** reduction in IP Only write-offs



**Onto the  
next panelist:**



# About the panelist



**Linda Franklin**

System Denials Leader

Baptist Health

- Linda Franklin is the Systems Denials Leaders for Baptist Health. Baptist Health is the largest healthcare organization in Arkansas with 11 hospitals and over 100 primary and specialty clinics.
- Linda received her BS in Business Administration from Henderson State University in Arkadelphia, Arkansas. She has also received her Certified Healthcare Access Manager (CHAM) certification from NAHAM.
- Linda has worked for Baptist Health for over 40 years, in areas of administration, Rural Health Clinics and patient access.
- She has been working in denials for the past six years—working with all areas of the revenue cycle to reduce denials. She also works with clinical areas to institute process improvements to decrease denials.

***“When you work with insurance company denials ... it is a new challenge every day!”***

# Baptist Health (Arkansas) at a glance

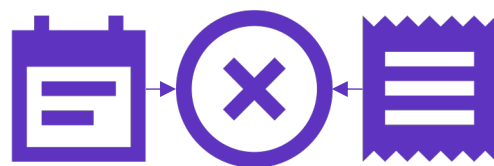
- Baptist Health is Arkansas' most comprehensive health care organization with more than 200 points of access that include 11 hospitals; urgent care centers; a senior living community and over 100 primary and specialty care clinics in Arkansas and eastern Oklahoma.
- The system additionally offers a college with studies in nursing and allied health; a graduate residency program; and access to virtual care anytime, anywhere.
- Baptist Health, as the largest not-for-profit health care organization based in Arkansas, provides care to patients wherever they are through the support of approximately 11,000 employees, groundbreaking treatments, renowned physicians and community outreach programs.
- Baptist Health exists to provide quality patient-centered services, promote and protect the voluntary not-for-profit healthcare system, provide quality health education, and respond to the changing health needs of the residents of Arkansas with Christian compassion and personal concern.
- Baptist Health is more than a business – it is a healing ministry.



# **Surgery, cath lab and interventional radiology reauthorizations**

## The problem







Claims denied because the CPT authorized is not the CPT billed



Authorizations were obtained for the **scheduled procedure** but many times were **not** the **final** coded and billed procedure code, so the payer **denied** for **no authorization**.

## The solution

BH developed a solution involving our authorization and coding teams

-  Developed daily report for auth team review
-  Trained auth team on scripting for “urgent update”
-  Worked with coding to prioritize commercial accounts in order to meet the deadline
-  Tracked reauthorizations and report to leadership
-  Encouraged and supported individuals performing this function
-  Worked with payer reps when issues arise





## The results:

SURGERY		
Year	Volume	Charges
2020	151	\$4,704,954
2021	133	\$4,075,720
2022 YTD June	146	\$3,838,472
CARDIOLOGY & IVR		
Year	Volume	Charges
2020*	113	\$3,399,678
2021	142	\$3,034,512
2022 YTD June	104	\$2,746,222
*started in April		



# Thank you

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